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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/751,900	12/29/2000	Hartley C. Starkman	60709-00011	9152

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EXAMINER

AKERS, GEOFFREY R

ART UNIT

PAPER NUMBER

3624

DATE MAILED: 07/14/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application 09/251 900	Applicant(s) Starkman	
	Examiner Akers, G	Art Unit 3624	Confirmation No.

- The MAILING DATE of this communication appears on the cover sheet beneath the correspondence address -

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, such period shall, by default, expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- ☒ Responsive to communication(s) filed on 6/8/02
- ☒ This action is FINAL. ☐ This action is non-final.
- ☐ Since this application is in condition for allowance except for the formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- ☒ Claim(s) 1-25 is/are pending in this application.
- Of the above claim(s) _____ is/are withdrawn from consideration.
- ☐ Claim(s) _____ is/are allowed.
- ☒ Claim(s) 1-25 is/are rejected.
- ☐ Claim(s) _____ is/are objected to.
- ☐ Claim(s) _____ are subject to restriction or election requirement.

Application Papers

- ☐ The proposed drawing correction, filed on _____ is ☐ approved or ☐ disapproved by the Examiner. If approved, corrected drawings are required in reply to this Office action.
- ☐ The drawing(s) filed on _____ is/are ☐ accepted or ☐ objected to by the Examiner. Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- ☐ The specification is objected to by the Examiner.
- ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119 (a)-(d) or (f).
- ☐ All ☐ Some* ☐ None of the:
- ☐ Certified copies of the priority documents have been received.
- ☐ Certified copies of the priority documents have been received in Application No. _____.
- ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).
- *Certified copies not received:

- ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- ☐ The translation of the foreign language provisional application has been received.
- ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- ☐ Information Disclosure Statement(s), PTO-1449, Paper No(s) _____
- ☐ Notice of References Cited, PTO-892
- ☐ Notice of Draftsperson's Patent Drawing Review, PTO-948
- ☐ Interview Summary, PTO-413
- ☐ Notice of Informal Patent Application, PTO-152
- ☐ Other _____

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DETAILED ACTION

Response to Amendment

1. This action is issued in response to applicant's amendment A (Paper #6) filed 6/4/03.
2. Claims 1,4,6-7,10-13,15,18-21 were amended. New claims 22-25 were added.
3. Claims 1-25 including amended and newly added claims, are pending.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-25 are rejected under 35 USC 103(a) as unpatentable over McCauley (US Pat. No: 6,067,533) in view of Rosenwald (US Pat. No: 6,038,550) and further in view of Stout (US Pat. No: 5,878,404).
6. As per claims 1-25 McCauley teaches a method for generating a loan model for assessing a borrower's ability to pay (Abstract) (Fig 2) (col 2 line 64-col 3 line 35) (col 4 lines 6-63) as well as default rates (Abstract) (Fig 1/120) (Fig 4) and ability to pay rate (Fig 1/150) as well as analyzing loan models using loan experience databases (Fig 220/230). Rosenwald teaches a method for calculating interest on loans (Abstract) (Fig 7) as well as a method of managing interest on a developing series of financial transactions (col 1 line 61-col 2 line 25). Stout teaches a system for

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analyzing the amortization of a loan(Abstract) including time payments and residual balances on the loan which could be used to determine loan delinquencies(col 2 line 51-col 3 line 22) based upon whether such loan balances increase or decrease(col 4 line 44-65)(Fig 3).It would have been obvious to one skilled in the art at the time of the invention to combine McCauley in view of Rosenwald and further in view of Stout to teach the above. The motivation to combine McCauley in view of Rosenwald is to teach a method for determining the interest on a series of financial transactions as enunciated by Rosenwald(col 1 lines 50-60) which may be modified to apply to interest on a sequence of loans at various stages of delinquency or timeliness. Also, the motivation to combine McCauley in view of Rosenwald and further in view of Stout is to teach a method for loan amortization as enunciated by Stout(col 2 lines 51-55) which may be modified to manage delinquent loans.

Claim Rejections - 35 USC § 112

7. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

8. Claims 1-25 are further rejected under 112(2nd) for failing to point out and precisely and distinctly claim what applicant regards is the invention.No algorithm, defining equations or methodology is delineated in the model claims proposed by applicant.

Response to Arguments

9. Applicant's arguments filed 6/4/03 have been fully considered but they are not persuasive.

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McCauley teaches a method for generating a loan model for assessing a borrower's ability to pay(Abstract)(Fig 2)(col 2 line 64-col 3 line 35)(col 4 lines 6-63) as well as default rates(Abstract)(Fig 1/120)(Fig 4) and ability to pay rate(Fig 1/150) as well as analyzing loan models using loan experience databases(Fig 220/230).Historical default rates used in combination with loan models as taught in McCauley are the basis for determining a probability that an event impacting payment in a loan will occur which is the method in applicasnt's disclosure.

Conclusion

10. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

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11. Any questions concerning this communication should be addressed to the examiner of record, Dr. Geoffrey Akers, P.E., who can be reached between 6:30 AM and 5:00 PM Monday through Friday at 703-306-5844. If attempts to contact the examiner are unsuccessful, the examiner's superior, Mr. Vincent Millin, SPE, may be telephoned at (703)-308-1065.

The fax number for Formal or Official faxes and Draft or Informal faxes to Technology Center 3600 or this Art Unit is (703)-308-3687. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703)-308-1113.

GRA


July 11, 2003

DR. GEOFFREY R. AKERS, P.E.
PRIMARY EXAMINER